LISTING OF CLAIMS:

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- 1. (Currently Amended) An apparatus for forming an artificial valve to treat gastroesophageal reflux disease comprising:
- a first endoscope that has an observation system and that is adapted to be orally inserted into a body cavity;
- a holding device extending out of a distal end of the first endoscope, the holding device comprising a distal end portion adapted to hold a point of a digestive wall of the body cavity where the artificial valve is to be formed, and an elongated portion that passes through a first channel provided in the first endoscope;
- a first needle that is moveable relative to the first endoscope for penetrating the digestive wall , wherein said first needle is positioned at an oral side of the holding device before piercing the digestive wall;
- a second needle positioned beside and spaced apart by a distance from the first needle; and
- a suture adapted to pass through the digestive wall following the first needle. ; and
- a suture retaining device having a grasping section adapted to grasp the suture after the suture has passed through the digestive wall.

- 2. (Currently Amended) The apparatus according to claim \pm 24, wherein the suture retaining device is adapted to pull the suture out from the body cavity, and wherein the apparatus further comprises:
- a knot pushing device adapted to move a knot of the suture, which is formed outside the body cavity after the suture has been pulled out from the body cavity by the suture retaining device, into the body cavity.
- 3. (Previously Presented) The apparatus according to claim 1, wherein the distal end portion of the holding device includes two jaws moveable between an opened position and a closed position.
- 4. (Previously Presented) The apparatus according to claim 1, wherein the first needle has a hollow space disposed therein for engaging the suture.

Claims 5 and 6 (Canceled).

7. (Currently Amended) The apparatus according to claim $\frac{6}{2}$, further comprising a second endoscope wherein the first needle and the second needle are disposed on an outer periphery of the second endoscope.

8. (Currently Amended) The apparatus according to claim $\frac{1}{24}$, further comprising:

a guide member having a through hole provided side by side with the holding device;

wherein the suture retaining device is moveable in the through hole of the guide member.

- 9. (Currently Amended) The apparatus according to claim \pm 24, wherein the suture retaining device includes two jaws moveable between an opened position and a closed position.
- 10. (Previously Presented) The apparatus according to claim 1, further comprising a second endoscope, wherein the first needle extends from a distal end of the second endoscope.
- 11. (Previously Presented) The apparatus according to claim 1, wherein the first needle is moveable in a position nearer to a handle section of the first endoscope than the distal end of the first endoscope is.
- 12. (Currently Amended) The apparatus according to claim 1, wherein the holding device is adapted to holding hold a junction of a stomach and an esophagus, and the first needle is adapted to be positioned in the an oral side of the junction.

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Claims 13-19 (Canceled).

- 20. (Currently Amended) The apparatus according to claim 6 1, further comprising a second endoscope, wherein the first needle and the second needle extend out of a distal end of the second endoscope.
- 21. (Previously Presented) The apparatus according to claim 1, further comprising a sheath provided outside the first endoscope, wherein the first needle extends from a distal end of the sheath.
- 22. (Currently Amended) The An apparatus according to claim

 1, for forming an artificial valve to treat gastroesophageal

 reflux disease, comprising:

an endoscope that has an observation system and that is adapted to be orally inserted into a body cavity;

a holding device extending out of a distal end of the endoscope, the holding device comprising a distal end portion adapted to hold a point of a digestive wall of the body cavity where the artificial valve is to be formed, and an elongated portion that passes through a first channel provided in the endoscope;

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a first needle that is moveable relative to the endoscope for penetrating the digestive wall; and

a suture adapted to pass through the digestive wall following the first needle;

wherein the first endoscope comprises:

- an elongated insertion section;
- a handle section; and
- an opening through which the first needle extends provided at a position on a handle-proximal side of the distal end of the first endoscope.
- 23. (Currently Amended) The apparatus according to claim 22, wherein the observation system comprises an optical system is provided at each of the distal end and a portion near the opening of the first endoscope.
- 24. (New) The apparatus according to claim 1, further comprising a suture retaining device having a grasping section adapted to grasp the suture after the suture has passed through the digestive wall.
- 25. (New) The apparatus according to claim 1, further comprising:
 - a second endoscope; and

a sheath provided outside of the second endoscope, wherein the first needle extends from a distal end of the sheath.

- 26. (New) The apparatus according to claim 1, wherein the second needle is moveable relative to the first endoscope for penetrating the digestive wall, and wherein the apparatus further comprises a suture adapted to pass through the digestive wall following the second needle.
- 27. (New) The apparatus according to claim 1, wherein each of the first needle and the second needle has a hollow space disposed therein for engaging the suture.
- 28. (New) The apparatus according to claim 11, wherein the second needle is movable in a position nearer to the handle section of the first endoscope than the distal end of the first endoscope is.
- 29. (New) The apparatus according to claim 12, wherein the second needle is adapted to be positioned in the oral side of the junction.
- 30. (New) The apparatus according to claim 21, further comprising an additional sheath provided outside the first

endoscope, wherein the second needle extends from a distal end of the additional sheath.

31. (New) The apparatus according to claim 25, further comprising an additional sheath provided outside the second endoscope, wherein the second needle extends from a distal end of the additional sheath.